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PRESS RELEASE

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CARD WATCH ISSUES SHOP SAFE ONLINE ADVICE

- **More customers than ever before buying online**
- **Card schemes' new security solutions provide extra security online for Internet shoppers**

Nearly half (21 million) of all UK adults will be shopping online this Christmas say figures released by APACS – the UK Payments Association. With 10% of all credit card spending now being made online and more shops than ever offering Internet shopping this is likely to be a bumper time for buying presents online.

Today (26 November) Card Watch issues the latest security advice to help you stop the fraudsters getting their hands on your cash – see www.cardwatch.org.uk

By signing up to *Verified by Visa* or *MasterCard SecureCode* you can better protect your card details from online misuse by a fraudster because you arrange with your card issuer a special password for use when shopping on the Internet. This acts as an extra level of security and lessens the chances of a fraudster using your card details to buy online. Most Internet card fraud occurs when cards or card details are stolen in the real world and then used by criminals to buy something online.

Many of the UK's biggest online businesses have now joined these security schemes. Visit www.mastercardsecurecode.com or www.visaeurope.com/verified to view demonstrations of the systems and lists of participating online shops. Alternatively, cardholders should look for the relevant *Verified by Visa* or *MasterCard SecureCode* logo while shopping online.

“Cardholders can minimise their chances of suffering from online fraud this Christmas by registering for *Verified by Visa* or *MasterCard SecureCode*,” said Katy Worobec, head of risk management at APACS. “By participating, they can add to the combined fight against online fraud and shop online with safety.”

As well as signing up to *Verified by Visa* or *MasterCard SecureCode*, Card Watch gives the following advice for safe online shopping:

Only shop at secure websites – ensure that the security icon, the locked padlock or unbroken key symbol, is showing in the bottom right of your browser window before sending your card details or password.

Keep your PC secure - Use up-to-date anti-virus software and a personal firewall and, if your computer uses the Microsoft Windows operating system, keep it updated from the Microsoft website. Be extra careful if using Internet cafes or any PC which is not your own and over which you have no control.

Keep passwords and PINs safe - Always be wary of unsolicited e-mails or calls asking you to disclose any personal details or card numbers. Be sure you know who you are dealing with. Your bank and the police would never contact you to ask you to disclose PINs or the whole of your password.

Keep records of all transactions – Print out any orders and keep copies of the retailer's terms and conditions for delivery and returns. When buying from overseas remember it may be more difficult to seek redress if problems arise.

Check your statement - If you notice anything irregular on your account contact your bank immediately.

“*Verified by Visa* protects your existing Visa card with a password that you create, giving you assurance that only you can use your Visa card online,” said Bernard Ovink, head of e-commerce at Visa's consumer market development department. “You get the added confidence that your Visa card is safe when you shop at participating online stores.”

Gun Norrefalk, MasterCard's vice president of e-business said: “*MasterCard SecureCode* means added protection against unauthorised use of your card when you shop at participating online merchants. Even if someone knows your credit or debit card number, a purchase cannot be made without the code.”

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Notes to editors:

1. Verified by Visa and MasterCard SecureCode work in the following way:
 - Cardholders are required to register their personal details with their card issuer.
 - The card issuer will verify the personal details provided.
 - Once verified, the cardholder creates a password and chooses a Personal Assurance Message. This message will be displayed every time their password is requested during a transaction to prove that the request originated from their card issuer.
 - Each subsequent occasion the cardholder enters a participating website, having checked their Personal Assurance Message, they are required to enter the password to authorise the transaction.

Cardholders should note that they may be requested to register through their first purchase via a participating website or they can register directly by visiting their card issuer's website. The security benefits for the cardholder are evident enabling them to shop confidently online by using a secret password known only to them.

2. Cardholders can visit the following website for more details about fraud prevention:

CardWatch	www.cardwatch.org.uk
Verified by Visa	www.visaeurope.com/verified
MasterCard SecureCode	www.mastercardsecurecode.com
Identity Theft	www.identitytheft.org.uk
Bank Safe Online	www.banksafeonline.org.uk

3. APACS and Card Watch

APACS is the UK payments association. It provides the forum for the UK's financial institutions to come together on non-competitive issues, to develop banking systems for the future and to provide innovation and developments in payments. It is also the banking industry voice on payments issues such as plastic cards, card fraud, cheques, electronic payments and cash. **Card Watch** is the UK banking industry's body that works with police, retailers and organisations including Crimestoppers to fight plastic card fraud.

4. Card-not-present (CNP) fraud

Losses in the 12 months to June 2004 amounted to £138.8 million. This is a 29% increase on the previous year's losses.

CNP fraud most commonly involves the theft of genuine card details that are then used to make a purchase via a remote channel such as the phone, fax, mail order or the Internet. Legitimate cardholders may not be aware of this fraud until they check their statements. The problem in countering this type of fraud lies in the fact that neither the card nor the cardholder needs to be present at the point-of-sale. This means that CNP merchants are unable to check the physical security features of the card to determine if it is genuine.

5. Internet shopping facts and figures

21.1 million adults stated they had purchased on the Internet at least once in 12 months to June 2004. Credit card payments made online increased fivefold since 1999, with 10% of all personal credit card spending taking place online compared to 2% five years ago. The top five online purchases in 2003 were books and CDs, followed by travel, computer equipment, financial services and groceries.

The average value of online purchases by credit card is £69 and by debit card is £54.

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